ally following the Prime Minister's recent visit to that country;

(b) whether the US businessmen and administrators have suggested policy changes so as to encourage direct US investment in the country's infrastructural sectors; and

(c) if so, what is the reaction of Government to the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) As a result of positive impression by the PM on US businessmen, the prospects of US investment in India have improved. American business leaders explained the business activities their companies already have in India and informed that they were planning to invest in India even further. Suggestions for policy changes are taken into account as and when policy reviews are undertaken.

Revision of pay scale of HSCL

7529. SHRI GAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the 3rd and 4th Pay Commission established by the Union Government had directed and revised the pay scales of public sector undertakings like HSCL;

(b) whether the fifth Pay Commission is also going to revise the wages of Public Sector Undertakings like H. S. C. etc.; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) No, Sir.

(c) Does not arise.

Bank fraud by NRI

7530. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item which appeared in the Times of India of May 16, 1994 under the caption, 'NRI held for Rs .60 crore bank fraud';

(b) if so, what are the facts and details in this regard;

(c) whether any enquiry has been conducted in the matter; if so, with what result;

(d) how many such cases of fraud have been detected during each of the last three years in respect of the Public Sector Banks, in how many cases enquiries were conducted and what action has been taken against the persons involved; and

(e) what remedial steps Government have taken or propose to take to obviate recurence of such case in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SNRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) and (c) State Bank of India (SBI) had reported that a cheque of Rs. 60 crores drawn on Andhra Bank by M/s. Bharat Dynamics Ltd. (BDL) in favour of SBI Green Park Extension, New Delhi branch for investment in term deposits was received through an officer of the branch. The proceeds of the cheque were credited to a current account opened in the name of M|s. Jaydees International and 3 Special Term Deposit Receipts (STDRs) for Rs. 20 crores each favouring the said firm were also issued by the branch. Subsequently, the firm reduested. *inter-alia*, for a loan of Rs. 15 crores against one of the STDRs and another STDR for Rs. 2,67,80,000/- in favour of BDL. In view of the large amount involved, the matter was referred by the branch to the controlling office which alerted the branch to verify the genuineness of the transaction and the bonafides of the account holder. In the meanwhile, an officer of M|s. Bharat Dynamics Ltd. contacted the branch for collecting the STDRs favouring the undertaking for

issue of which it had issued the cheque of Rs. 60 crores. This brought the fraud to light. The bank has not suffered any loss. The bank has lodged an FIR with Delhi Police and the officer concerned in the branch has been arrested by the police and has also been placed under suspension by the bank.

(d) and (e) The information readily available relating to the total number of frands reported by public sector banks to Reserve Bank of India (RBI) during 1991, 1992 and 1993 (upto September) and action taken in respect of the employees convicted is given below :—

		1991	1992	1993
(i)	No. of frauds	1559	1717	612 (upto September 1993)
(ii)	No. of employees convicted . . .	82	51	21 (upto June 1993)
(iii)	No. of employees given major/minor penalties	829	849	399 (upto June 1993)
(iv)	No. of employees out of (iii) above dismissed discharged/removed	289	275	141 (upto June 1993)

(data provisional)

The public sector banks at the instance of Government and RBI have taken several steps from time to time for prevention and prompt detection of frauds. These steps include issuing of comprehensive guidelines by RBI for strengthening the control mechanism in banks review of fraud cases on a continual basis by RBI, setting up of a Special Investigation Cell in RBI, proper training of operational personnel, etc. The banks have also been impressed upon to clear the arrears in balancing of books and reconcilation of inter-branch and other accounts on a continuous basis so as to prevent frauds in these areas. RBI also monitors the progress made by the banks in implementation of various accepted recommendations of the Ghosh Committee which enquired into various aspects relating to frauds and malpractices in banks.

NABARD Plan to Generate Employment

7531. SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE:

SHRI RAJUBHAI A. PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the National Bank of Agriculture and Rural Development has a plan to generate massive employment opportunities to the tune of 30 million jobs by the turn of the century;

(b) if so, the details thereof indicating the total contemplated investment therein; and

(c) the progress made by NABARD during the past two years, and the amount of investment made therein?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) The National Bank for Agriculture ad Rural Developmet (NABARD) has been financing, promoting and developing farm and non-farm activities particularly in rural areas. Several refinance and promotional schemes have been evolved for supporting Rural Non-Farm Sector (NFS). Although development of rural NFS helps in employment generation, NABARD has not fixed any definite target in terms of creation of employment opportunities in its refinance and promotional schemes. However, annual refinance targets are fixed for lending under production investment credit etc. Total refinance provided by NABARD since inception aggregated Rs. 15951 crores with an average annual growth at the rate of 23.6 per cent. It jumped from Rs. 703 crores in 1982-83 to Rs. 2359